

TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE



FISCAL NOTE

HB 847 - SB 827

March 16, 2017

SUMMARY OF BILL: Requires health insurance policies to cover a dependent child until the child reaches 26 years of age.

ESTIMATED FISCAL IMPACT:

Increase State Expenditures – Not Significant

Potential Impact on Health Insurance Premiums (required by Tenn. Code Ann. § 3-2-111): Such legislation would not result in a significant increase in the cost of health insurance premiums because federal law requires coverage until an adult child turns 26 years of age.

Assumptions:

- Based on information provided by the Department of Finance and Administration, the proposed legislation reflects federal law and is reflected in the Insurance Committee's plan documents; therefore, any fiscal impact is estimated to be not significant.
- Based on information provided by the Bureau of TennCare, the proposed legislation will not impact any programs; therefore, any fiscal impact is estimated to be not significant.
- Based on information provided by the Department of Commerce and Insurance (DCI), the DCI can enforce the proposed legislation within existing resources without an increased appropriation or reduced reversion.

IMPACT TO COMMERCE:

NOT SIGNIFICANT

Assumptions:

- According to 42 U.S.C. 300gg-14, a group health plan and a health insurance issuer offering group or individual health insurance coverage that provides dependent coverage of children shall continue to make such coverage available for an adult child until the child turns 26 years of age.

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- Passage of this bill will result in state law matching up with federal law and the Insurance Committee's existing plan documents; any impact to commerce or jobs in Tennessee is estimated to be not significant.

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in blue ink that reads "Krista M. Lee". The signature is written in a cursive, flowing style.

Krista M. Lee, Executive Director

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